Preserve 16/1/33

App F IX-4

1932. (mc)

File No. 275-32

Previous References

ML 275-32-(1to5)

Serial Nos. 8x/3

Later References

Acad 4-33-122
27-33, 1/4-4

PRESERVED (D)

ML 74-37-[illegible]

General and Revenue Secretariat.

ML·106-53-20,-26,
CM·34-53-18

Serial Nos

Part B for May 33

SUBJECT

Alteration of the date of introduction of the Excess Assessment Tax Regulation VIII of 1932 from 1st May to 1st July 1933 and the reduction in the rate at which the tax is to be levied

Re
31-5-33

Amusements tax.

(1) Postponement of the levy of the tax.

After full consideration in both the R.A and the L.C, the Regulation has been passed. The Bill practically received unanimous support in the two Houses. This is a tax on the man who is prepared to spend something for his pleasure. There are no grounds for the postponement of the levy. In fact it is being levied in most of the British Indian provinces at present (Bombay, Bengal, Madras)

(2) Exemption of tickets below 8 as.

In the Bill, as originally framed, tickets of 8 as. and below had been exempted, as in Bengal. In Madras, tickets of 4 as and below only are exempted. In the select committee the minimum for exemption was considered too high. The select committee observed

> " as the taxable minimum of 8 as. proposed in the Bill would exclude a very large class of people resorting to entertainments, we have fixed a minimum of 4 as. instead of 8 as."

This was passed in the Legislative Council. Considering that our rate is only 12½% which works at half an anna on a four anna ticket, it will not work as a hardship on such ticket holders. Further, in our State, the 4 anna class is the one which is largely resorted to and if this is excluded, the realisations from the tax will fall considerably. The principle of this tax is not that it should fall only on the rich man and not on the poor. It is a tax which has to be borne by the

pleasure-seeker, whether rich or poor. The Indian Taxation Enquiry Committee have observed that this is a type of expenditure which is peculiarly suitable for taxation

3. Reduction of rates.

(only 4 as & below are free)

The memorialists seem to be under a mistake. Tickets below 6 as. are not free of the tax in Madras. Our rates are already very low compared with those in Bombay and Bengal where ~~the tax~~ is 25%. Our rates are almost similar to those in Madras.

(4). Net income to be the basis of levy for this tax.

The memorialists have not understood the rule as regards consolidation under section 3. The tax leviable is ~~1/8th~~ 1/9th, that is, 1/8th of the fee for admission. The gross sum collected will therefore be 9/8th of the fees for admission. For the purpose of consolidation, 1/9th of the ~~xxxx~~ gross sum collected, which is 1/8th of total fees for admission, is the amount of the tax. The tax is not levied on the basis of the net income of the proprietor, and the question of ~~xx~~ deducting for incometax does not arise. It is the gross sum received by the proprietor on account of the payments for admission including the tax that is the basis of Taxation

(5) Censorship fees.

Under the Cinema Regulation, ~~the~~ State has to undertake censorship and it is but reasonable to levy a fee for the issue of certificates. On the representation of the

the cinema proprietors and to meet their wishes to a great extent, the fee for certifying films which have already been certified in British India was fixed so low as Re.1/- for 1,000 feet though we are ~~xxx~~ entitled to levy a fee of Rs.5/-. For films which are manufactured in Mysore or which are first certified here, the owner or the ~~xxxxxxxxxx~~ exhibitor can hardly object to the payment at Rs.5/-, since if it was produced and first certified in British India he would have had to pay this fee. It was after full consideration and after hearing ~~the~~ two deputations that the present rates have been fixed.

(6) Exemption for locally prepared films.

The above note applies to this also. In the case of a locally prepared film, the film owner will most probably bear the expenses of certification. Once a certificate has been obtained by him, the exhibitors are ~~xxxx~~ not ~~be~~ put to the trouble of obtaining a certificate. The film would have ~~had~~ the run in most of the theatres in the State. In these circumstances, the fee of Rs.5/- cannot be said to be very high. A film of 10,000 feet will pay Rs.50/- for the certificate. The hire that the owner ~~xxx~~ obtains from the exhibitors for a film of this sort will be a fairly substantial amount running into thousands. Considering the cost incurred in the manufacture of film, which will be thousands of rupees, the fee of Rs.50/- for certificate will be a flea-bite.

(7) No such tax in the C & M Station.

Want of reciprocity between us and the C & M Station fiscal measures has been one of the objections for the continuance of the assigned area. It is very unlikely that merely because a small tax on amusements is levied, the pleasure-seeker will desert the theatres here and run away to the C & M Station theatres. It is only the city residents and the people who stay in the ~~stay~~ that usually feed the city theatres. Take for example a four anna class. The tax is only half anna. The people who resort to that class will hardly be able to pay for the bus or the jutka if they want to go to C & M Station theatres, nor will they care to walk such a distance in order to save half an anna. The same applies to the higher classes also. The one rupee and the two rupees classes will not mind paying an extra 2 as. or 4 as. if the play or the film is attractive. The things that attract people are the nature of the play, good screening, good management and seating. If these are provided, a small fee as tax is not likely to deter the pleasure-seeker from resorting to the city theatres.

Ce
20/4/53

General and Revenue Secretariat | File No | of 193

Serial No

A deputation consisting of some half a dozen proprietors of Cinema Shows led by Mr. S. Srikantiah, waited on the First Member of Council on 2/3rd April 1933.

1. Their main grievance was that the amusement tax comes upon them at a time of depression; that they are already losing heavily in the cinema business; and that this tax is an additional burden and is adding to their losses. It was pointed out to them that the tax will not come from their pockets, but will fall on the pleasure seeker who resorts to cinemas. Their argument was that the poorer classes, who are the persons that largely feed the Bangalore city cinema shows, would not be able to pay the extra charge on account of the tax and consequently it will ~~affect~~ fall upon the cinema proprietors as the Mysore attendance and the collections will go down considerably. It was also pointed out by them that since the tax is not levied in the Civil and Military Station, people who now go to the City shows may hereafter go to the shows in the Civil and Military Station. The Deputationists ~~under~~ urged

(a) that the rate of tax on cinema shows be reduced to 6¼ per cent;

(b) that the tickets of eight annas and below be exempted from the tax;

(c) if that is not possible, at least the tax on tickets of eight annas and below be reduced to 6¼ per cent.

2. It was also urged by them that the censorship fee need not be levied. It was pointed out by the Member that ~~it~~ was not possible that the State owed a duty to the public by exercising control over ~~the shows~~

NOTE—Contn Sheet

WD 70—GBPM—60,000—13 8 31

and ~~preventing the show of~~ censoring undesirable films, and that censorship in the State is necessary as a film which is not undesirable in one locality may be ~~considered~~ undesirable in the State.

3 The prayer that cinema shows be exempted from the tax is not practicable. At present, these are the principal amusements in the City and there is no substantial reason why they should not be taxed. The rate of the tax has been fixed fairly low, viz., at 12½ per cent. In Madras also, the rate of tax is 12½ per cent. It does not also seem necessary to reduce the tax on all the several classes of tickets. The prayer of the deputation for the reduction of the tax to 6¼ per cent in respect of tickets of 8 annas and below may be considered.

4 A legal doubt that will arise will be whether under the Regulation, a sliding scale of the tax is permissible. Section 3(1) of the Regulation fixes the maximum rate of the tax as 25 per cent. Under Section 3(2) it is the Government that has to fix the rate of the tax. Section 3(2) does not necessarily mean that the Government has to fix a ~~certain~~ uniform rate for all ~~XXX~~ classes of tickets ~~for~~ at any particular entertainment. No doubt, in the section, specific mention is made of the powers of Government to fix different rates for different classes of entertainments or for different areas. This does not exclude the power of the Government to fix different rates for different classes of tickets. ~~Therefore~~ Sec 3(2) gives a general power in the Govt to fix the rates. Purpose a tax at 6¼ per cent may be fixed on tickets of 4 annas and above but less than 8 annas. On tickets of 8 annas is deemed not the rates may remain at 12½ per cent.

First Member)

29/4/57

Serial No

5

Please put up draft amendment accordingly for consideration

4.5.33

6 draft- Sirs

Form 2/5

4900 J.

Draft letters for consideration

Four Members)

9 I think it would ease the situation if the cinema proprietors of the municipalities proposed were given copies of the Resolution. Please submit to the Secretary

3/5/33

Darwan)

Second Member)

DARWAN'S OFFICE
3 - MAY 1933
6387

Office of the Second Member of Council
4 MAY 1933
No 3738

9

4/5/33

10

6/5

Note—Contn Sheet

File No.

May the draft notification be issued

now?

9/5/33

Yes please

12

9/5

for [illegible]

5

13/[illegible]

L 7441. Dated 15th. 5th. 1933

The Complete Hydro Gazette

Notifies the reduced rates at which payment for advances is to be made where payment for advances is 4 annas more but less than 8 annas and at 12½ per cent where such payment is 8 annas or more, subject to certain Conditions.

press list

15/5/33

200 printed copies of the Notification issued on the 25th May 1933 and sent to the General Records. The papers are therefore filed.

B

25/5/33

BB 25/5

NOTIFICATION

No L 5922—Ml, dated Bangalore, 13th March 1933

In exercise of the powers conferred by sub section (2) of section 3 of the Amusements Tax Regulation, VIII of 1932, the Government of His Highness the Maharaja are pleased to direct that the entertainments tax shall be charged at the rate of 12½ per cent on the payment for admission subject to the condition that, in the determination of the amount of the tax on each payment for admission, fractions of an anna less than six pies shall be disregarded and fractions of an anna exceeding six pies shall be regarded as one anna

By Order,
R. RANGA RAO,
Secretary to Government,
General Department

ikantaya, B.A., B.L., M.R.A.S.
ocate,

Basave gudi,
Bangalore City,

April 11, 1933.

T.Singaravelu Mudaliyar Esq., B.A.B.L.,
Private Secretary to the Dewan of Mysore,
Public Office,
BANGALORE.

DE... Secretariat
... APR 1933

Dear Sir,

The Cinemas of the Mysore State desire me to lead a deputation to the Dewan Saheb, on their behalf, in order to make their representations in connection with the Amusements Tax Regulation, and shall be highly obliged, and most grateful, if the Dewan Saheb, will be good enough as to give them an opportunity of placing their grievances before him, at an early date. I shall submit a copy of the subject matter of their grievances, after hearing from you.

Thanking you in anticipation,

Yours sincerely,
S Srikantaya

Sahib
There is no date available This week plan put off next week
11/4/33
11/4
Received (illegible) 17/4
Sahib-11 morning
17/4/33
Rambh 11/4/33
Sahib
He has been written a memo by Sundaramma & he has since sent a memo of the points
17.4.33

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

General and Revenue Secretariat, 3

No L 7441
M(275-32-13

Dated, Bangalore, 15 193

NOTIFICATION

In modification of Government Notification No.L.6322/41. dated 13th March 1933 the Government of His Highness the Maharaja are pleased to direct, in exercise of the powers conferred by Sub Section (2) of Section 3 of the Amusements Tax Regulation, VIII of 1932, that the entertainments tax shall be charged -

(i) at the rate of 3 pies where the payment for admission is 4 annas or more but is less than 8 annas, and

(ii) at 18¾ per cent where the payment for admission is 8 annas or more, subject to the condition that, in the determination of the amount of the tax on each payment for admission, fractions of an anna less than six pies shall be disregarded and fractions of an anna not less than six pies shall be regarded as one anna.

By order,

A Subba Rao

For General Secretary to Government.

To

The Compiler, Mysore Gazette,
for publication with the request that
25 copies of the notification may be
sent to each of the Deputy Commissioners
of Districts and 200 copies supplied to
the Secretariat.

NERAL SECRETARIAT

7441—*Ml.*, 275-32-13, *dated* 12—15*th May* 1933

of Government Notification No L, 5922—Ml, dated 13th March 1933, of His Highness the Maharaja are pleased to direct, in exercise of the by sub Section (2) of Section 3 of the Amusements Tax Regulation, VIII of tertainments tax shall be charged—

(i) at the rate of 3 pies where the payment for admission is 4 annas or more but is ess than 8 annas and

(ii) at 12½ per cent where the payment for admission is 8 annas or more, subject to the ondition that, in the determination of the amount of the tax on each payment for admission, fractions of an anna less than six pies shall be disregarded and fractions of an anna not less than six pies shall be regarded as one anna

By Order,
H V RAMASVAMI,
Secretary to Government,
General Department

In modification of Government Notification No L.5922/M1. dated 13th March the Government of His Highness the Maharaja are pleased to direct in exercise of the powers conferred by sub section (2) of section 3 of the Amusements Tax Regulation VIII of 1932, that the entertainments tax shall be charged -

(i) at the rate of 3 pies where the payments for admission is 4 annas or more but is less than 8 annas, and

(ii) at 12½ per cent where the payment for admission is 8 annas or more, subject to the condition that, in the determination of the amount of the tax on each payment for admission, fractions of an anna less-than six pies shall be disregarded and -- fractions of an anna ~~exceeding~~ not less than six pies - shall be regarded as one anna

By Order,

General Secretary to Govt

To

CC 2/5/32

The Compiler, Mysore Gazette for publication with the request that 25 copies of the notification may be sent to each of the Dcs of Dists & 200 copies supplied to this Secty

Memo. L 7442-82

Copy of the above is forwarded with compliments to the Stamp Commissioner with reference to the Dcs

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

General and Revenue Secretariat,

No L 16904 / RL 275-32-8

Dated, Bangalore, 27th April *1933.*

NOTIFICATION

In modification of Notification No.L.5921/Rl. dated 13th March 1933, the Government of His Highness the Maharaja are pleased to direct that the Mysore Amusements Tax Regulation, VIII of 1932, shall come into force in the Cities of Mysore and Bangalore, in the Kolar Gold Fields Sanitary Board area, and in the Towns of Kolar, Tumkur, Hassan, Chikmagalur, Chitaldrug, Davanagere and Shimoga, from the first day of July 1933.

By Order,

Aswathappa

for General Secretary to Government

To

The Compiler, Mysore Gazette, with the request that 25 copies of the Notification may be sent to each of the Deputy Commissioners of Districts and 100 copies supplied to the Secretariat.

F.S.R.12/27-4.

Ticket below 8 annas may be exempted from the amusements tax as in Madras, even if the Government should not consider it expedient to postpone the levy of this tax.

2. In Madras tickets below 6 annas excluding the Entertainments Tax are free of the tax and those rules may be adopted here. In any case, the rates may be reduced.

3. Instead of 1/9th of the gross income, a proportion of the net income may be taken for a levy of this tax, as the Theatre people are already paying income-tax.

4. Censorship fees may not be levied.

5. In an infant industry like the Film industry, exemption may be granted in the case of the locally prepared films from this levy.

6. As there is no amusements tax in the C & M Station of Bangalore, unless some concessions are shown to the local theatres, there is a danger of the people resorting to the Cantonment theatres in larger numbers than at present.

S. Srikantaya.
Advocate
17.4.33.